

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Case No. 09-50779
Chapter 7 Case

Dennis E. Hecker,

Debtor.

STIPULATION REGARDING JACOB HOLDINGS OF STILLWATER LLC

WHEREAS, Randall L. Seaver is the duly-appointed Chapter 7 Trustee ("Trustee") of the bankruptcy estate of Dennis E. Hecker ("Debtor");

WHEREAS, Chrysler Financial Services Americas LLC ("Chrysler Financial") is a creditor of both the Debtor's bankruptcy estate and of Jacob Holdings of Stillwater LLC ("Stillwater"), an entity owned directly or indirectly by the Debtor;

WHEREAS, as a result of his investigation of the Debtor's financial affairs, the Trustee believes that the Debtor caused Stillwater to incur certain obligations and to make certain transfers to or for the benefit of Cornerstone Bank and/or related persons or entities ("Cornerstone") that may be avoided and recovered as fraudulent transfers by Stillwater's creditors or a trustee in any bankruptcy case commenced by or against Stillwater (the "Cornerstone Claims"); and,

WHEREAS, the Trustee has the power and authority to commence a voluntary Chapter 7 bankruptcy case for Stillwater, and Stillwater's trustee may thereafter commence fraudulent transfer or other actions against Cornerstone relating to the Cornerstone Claims.

**NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED AS
FOLLOWS:**

1. The Trustee shall prepare and file a voluntary Chapter 7 bankruptcy case on behalf of Stillwater.

2. Chrysler Financial and the Trustee agree that 25% of any payment or other distribution received by Chrysler Financial on account of its claims against Stillwater as a result of the assertion by the Stillwater trustee of the Cornerstone Claims shall be paid by Chrysler Financial to the Trustee (as trustee for Hecker) for the benefit of the Hecker estate. Chrysler Financial, in its capacity as creditor of Hecker and the Hecker estate shall be entitled to share in any distributions made by the Trustee as a result of the payment by Chrysler Financial to the Trustee (as trustee for Hecker) provided for herein in proportion to its allowed claim in the Hecker bankruptcy case. The parties agree that the amount of Chrysler Financial's allowed claim in the Hecker bankruptcy case shall be calculated by crediting 75% (not 100%) of any payment or other distribution Chrysler Financial receives on account of the Cornerstone Claims in the Stillwater Chapter 7 case.

3. If the Trustee is appointed as the chapter 7 trustee for Stillwater, the Trustee agrees to waive trustee compensation on any monies paid or distributed to Chrysler Financial in the Stillwater Chapter 7 case resulting from any recoveries made with respect to the Cornerstone Claims. In the event the Trustee is not appointed as the Stillwater trustee, the payment to be made by Chrysler Financial pursuant to paragraph 2 hereof shall be reduced by the amount of trustee compensation on monies paid or distributed to Chrysler Financial with respect to the Cornerstone Claims.

4. Any disputes arising under this Stipulation shall be resolved by the Bankruptcy Court.

IN WITNESS WHEREOF, the parties have executed this Stipulation on the date indicated above.

Dated:

6/10/10

By:

Randall L. Seaver, Trustee

**CHRYSLER FINANCIAL SERVICES
AMERICAS LLC**

Dated:

6/9/10

By:

John C. Tracy

Its:

Assistant General Counsel

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